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# Mountain Utilities

P. O. BOX 205 • KIRKWOOD, CA 95646 • PHONE (209) 258-7332 • FAX (209) 258-7345

August 14, 2008

Re: **Mountain Utilities August 2008 RPS Compliance Report**  
(Mountain Utilities - ID U 906 E)

Energy Division Director  
California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco, CA 94102

Enclosed please find the Original copy of Mountain Utilities 2008 Compliance Report (Report). This Report is being filed on August 15, 2008, pursuant to the authorization contained in Executive Director Paul Clanon's letter of July 23, 2008 addressed to Cory Mason (Copy attached).

A paper copy is being served on Administrative Law Judges Simon and Mattson, and by e-mail service to the Service List in Rulemaking 06-05-027.

Please note that two different versions of the Report are attached. The first version (V1) is the unmodified version for small Investor Owned Utilities that is available from the Commission's website. Using MU's data with V1 produces a current penalty of \$4,034.

The second version (V2) has been prepared and submitted to rectify what MU believes to be an oversight. The \$4,034 penalty is the product of MU's Annual Procurement Target for 2003, 81 MWh, times the penalty charge of \$50 per MWh. Decision 08-05-029, dealing with the participation of small and multi-jurisdictional utilities in the Renewables Portfolio Standard Program, was only issued in May of this year. That decision addressed MU's creditworthiness issue and also MU's lack of access to the transmission grid. Specifically, the decision stated:

3.2.3.3. Deferral of RPS Procurement Performance

We now turn to the consequences of MU's and Sierra's lack of creditworthiness. In D.03-06-071, we decided that lack of creditworthiness did not eliminate a utility's RPS procurement obligations, but allowed its performance to be deferred. That is, a utility's RPS obligations *accrue*, but are not *due*.

Based on the above language, MU believes that its Maximum Deficit Eligible for Deferral for 2007 should also include the Annual Procurement Target from 2003 as well as the Incremental Procurement Targets for 2004, 2005, and 2006.

After the Energy Division has had the opportunity to review MU's filing, MU respectfully requests that the Energy Division communicate its evaluation of this issue.

Please notify the following three individuals of the disposition of this Report:



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# Mountain Utilities

P. O. BOX 205 • KIRKWOOD, CA 95646 • PHONE (209) 258-7332 • FAX (209) 258-7345

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John Dutcher,  
V.P. - Reg. Affairs  
Mountain Utilities  
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Sincerely,

John Dutcher,  
V.P. – Reg. Affairs.

Cc: Administrative Law Judge Burton W. Mattson  
Administrative Law Judge Anne E. Simon

By email to the service list of Rulemaking 06-05-027

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



July 23, 2008

Re: R.06-05-027

Cory Mason  
Pacific Gas and Electric  
P.O. Box 7442  
San Francisco, CA 94120

Re: Request for Extension of Time to File August 1, 2008 RPS Compliance Reports and Project Development Status Reports

Dear Ms. Mason:

By electronic mail on July 18, 2008, you make a request on behalf of Pacific Gas and Electric (PG&E), Southern California Edison Company (SCE), and San Diego Gas & Electric (SDG&E) (collectively, IOUs). You request that the due date of August 1, 2008 for submission of the Renewables Portfolio Standard (RPS) compliance reports for 2007 and project development status reports be extended as described below. The date for this and other periodic compliance reports is set by Decision (D.) 05-07-039, Ordering Paragraph 17.

In support, you point out that Energy Division, in coordination with the IOUs, recently finalized modifications to the draft reporting spreadsheet. You also note that additional time will allow IOUs to incorporate their shortlists from the 2008 RPS solicitation into the reports and ensure consistency between the compliance report and the project development status report. In order to provide all RPS-obligated LSEs sufficient time to complete these reports the IOUs request that the due date for submission of the reports be extended by two weeks.

Responses in support of your request have been submitted by PacifiCorp, Sierra Pacific Power Company, Bear Valley Electric Service and Mountain Utilities. There is no known opposition.

Pursuant to Rule 16.6 of the Commission's Rules of Practice and Procedure, your request is granted. Moreover, to promote consistency in the filing of these reports and because the delay is not excessive, it is granted not just for IOUs, but for all RPS-obligated LSEs.

Letter to Ms. Cory Mason  
Page 2

Therefore, the report(s) otherwise due August 1, 2008 from each RPS-obligated LSE shall be due August 15, 2008. These reports are to be filed with the Energy Division Director, and served on the service list, but not filed with the Commission's Docket Office. (D.06-10-050, Ordering Paragraph 5.) In addition to e-mail service, a paper copy must also be served on Administrative Law Judges Simon and Mattson. (Rule 1.10(d).) The report should indicate in an opening paragraph that the request to extend the due date was made on July 18, 2008, and granted by letter from the Executive Director on July 23, 2008. Finally, PG&E must promptly inform all parties of the extension, and, in doing so, must state that the Executive Director has authorized this extension. (Rule 16.6.)

Sincerely,



Paul Clanon  
Executive Director

cc: CMMw@pge.com  
Cathy.Karlstad@SCE.com  
amsmith@sempira.com  
Director Sean Gallagher  
ALJ Burton W. Mattson  
ALJ Anne E. Simon  
Paul Douglas  
Sean Simon

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Continue  
Implementation and Administration of California  
Renewables Portfolio Standard Program.

Rulemaking 06-05-027  
(Filed May 25, 2006)

**MOUNTAIN UTILITIES' AUGUST 2008 SEMI-ANNUAL  
COMPLIANCE REPORT PURSUANT TO THE CALIFORNIA  
RENEWABLES PORTFOLIO STANDARD**

14-Aug-08

Name: John Dutcher  
Title: V.P. - Reg. Affairs  
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Address: 3210 Corte Valencia  
Fairfield, CA 94534

## CALIFORNIA'S RENEWABLES PORTFOLIO STANDARD

### Reporting and Compliance Worksheet Instructions

1. California's RPS Program requires Investor Owned Utilities (IOU), Multi-Jurisdictional Utilities (MJU), and Electric Service Providers (ESP) file a minimum of two reports each year illustrating performance within the program.
  - > The March 1 report (with updates after the California Energy Commission (CEC) verifies procurement, as needed) is used by the Commission to determine compliance for the prior year(s). This report states historic performance in the RPS program, current year targets and procurement data, and forecasts targets and procurement data for at least three years (D.06-10-050, page 45, 49).
  - > The August 1 report states historic performance in the RPS program, current year targets and procurement data, and forecasts targets and procurement levels for each year forward through 2020 (D.06-10-050, page 45, 51). The August report may be used by the Commission to make a final determination of compliance for the prior year(s).
2. If any load serving entity (LSE) seeks confidentiality protection for any of the information required by the RPS Compliance Report, it shall comply with the substantive and procedural rules set forth in D.06-06-066, as modified by D.08-04-023, the Commission's decision in its Confidentiality proceeding, Rulemaking (R.) 05-06-040, and any subsequent decisions issued in the same or successor proceeding. A declaration for Confidentiality should include the identification of all redacted information by tab name and cell reference.
3. RPS compliance reports will be submitted to the Commission as specified below:
  - > Serve a public version on the service list in proceeding R.06-05-027
  - > File a confidential version with the Energy Division
4. Any questions regarding the completion and/or filing of this report can be directed to:  
Sean Simon, Energy Division, California Public Utilities Commission: [svn@cpuc.ca.gov](mailto:svn@cpuc.ca.gov), (415) 703-3791
5. Please make sure that the following information about the filing entity is included on each tab:
  - > Name of the LSE filing the Report
  - > Date the Report is being filed
6. Include a Title Page in accordance with the Commission's Rules of Practice and Procedure (Rule 1.6)
7. Complete the Officer Verification Form in the format provided (Rule 1.11)
8. Yellow cells throughout the spreadsheet indicate user supplied data by the LSE where and when applicable.
9. All data must be entered in MWh out to three decimal points to accurately account for retail sales, procurement and targets. The spreadsheet will display MWh throughout. Do not round any reporting data.
10. The spreadsheet included in this report has locked cells to ensure that targets, procurement and penalties are accurately calculated and reported from the data provided by the user. An unprotected version of the spreadsheet is also available by request.
11. Line #'s in the "Accounting" tab hyperlink to the "Calculations" tab, which provides additional information on the particular line item or section of the "Accounting" tab.

#### SUMMARY TAB

12. The "Summary" tab is linked to the "Accounting" tab and "Procurement Detail" tab, no data entry is required.
13. If the LSE determines that additional information is required in order to present a full and complete report, mark the box provided on the "Summary" tab. Any additional information should support the LSE's claim within the guidelines of the eight allowable reasons for noncompliance. Furthermore, please state anything else the filing LSE believes is necessary for a full and complete reporting to the Commission in order to allow an informed decision on compliance. This may include, for example, footnotes and other explanatory information as necessary and reasonable.

#### ACCOUNTING TAB

14. Begin by entering the relevant data for Lines 1-3, this will calculate the LSE's Baseline Procurement Amount. Enter actual and forecasted sales figures to generate Incremental Procurement Targets (IPTs) and Annual Procurement Targets (APTs).
15. In deficit years, the spreadsheet calculates what portion of the deficit is eligible for IPT deferral and Earmarking. The user records how they elect to treat the deficit(s) in the relevant sections, including using surplus procurement. The spreadsheet calculates the allowable IPT deferral and Earmarking amount through 2020.

#### EARMARKING DETAIL TAB

16. Enter information for contracts that are eligible for earmarking and are being used for flexible compliance purposes. Data populates the earmarking section in the "Accounting" tab.

PROCUREMENT DETAIL TAB
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17. Procurement Summary: *Total RPS Eligible Procurement* is differentiated by three categories, *existing and or signed contracts*, *short-listed/under negotiation/pending approval*, and *generic future contracts*. This section is populated by completing the Contract Detail section below. If the LSE has entered into contracts that are short-term or with existing facilities but cannot meet its Annual Minimum Contracting Requirement, then deliveries from those contracts may not be used for compliance in any year (D.07-05-028).
  - > *Annual Contracting Quota Requirement:* LSEs must enter into long-term contracts or contracts with new facilities for energy deliveries equivalent to at least 0.25% of that LSE's prior years' retail sales, if it intends to use deliveries from short-term contracts and/or existing facilities, for RPS compliance purposes.
    - Contracts are differentiated by Contract term-length and type (row 15:16). All deliveries from "long-term and/or new" are automatically entered into "Cumulative Surplus Contracting Quota Bank" (row 19) and the user must input the MWh in row 18 that the LSE needs to comply with the Annual Contracting Quota Requirement, if necessary.
18. Procurement Summary: *Total RPS Eligible Procurement* is differentiated by three categories, *existing and or signed contracts*, *short-listed/under negotiation/pending approval*, and *generic future contracts*. This section is populated by completing the Contract Detail section below.
19. RPS Eligible Procurement by Resource Type: This report must state the amount procured or projected to be procured from each resource type (D.05-07-039, Appendix A, D.06-10-050, page 47-48). This information is reported in rows 23-36 in the "Procurement Detail" tab and populated by completing the "Contract Detail" section.
20. Contract Detail: For each contract, enter actual and forecasted delivery data throughout the contract term. Do not assume that an expiring contract will be renegotiated. In the first year a project is no longer under contract, remove the contract and/or MWh deliveries (in the case of pre-2002 contracts), and list the contract in the Expired Contracts section below.
  - > *Pre-2002 Contracts:* Input total annual deliveries by resource type.
  - > *2002-2008 years' Contracts:* List contracts by name, annual deliveries (MWh), project status, facility status and resource type.
  - > *2005-2008 years' Contracts:* In addition to the requirements above, Contracts from these years should be identified by term-length, short-term (less than 10 years) and long-term, as well as, by type, existing or new (defined below). For 2005 and 2006 contracts that were signed prior to 2007 can be identified as "n/a" for this purpose (refer to Column "X").
    - *"Contract Length / Type"* (Column "X") Pursuant to D.07-05-028, starting in 2007, each RPS-obligated LSE must, in order to be able to count for any RPS compliance purpose energy deliveries from contracts of less than 10 years' duration ("short-term") with RPS-eligible facilities that commenced commercial operation prior to January 1, 2005 ("existing facilities"), in each calendar year enter into contracts with facilities of at least 10 years' duration ("long-term") and/or short-term contracts with facilities that commenced commercial operation on or after January 1, 2005 ("new facilities") for energy deliveries equivalent to at least 0.25% of that LSE's prior year's retail sales ("minimum quantity").
    - *"Contract Volume"* (Column "Y") Input the total annual MWh as identified in the contract. Compliance with the minimum quota requirement is measured by contracted-for-energy, not deliveries.
  - > *"Generic Future Contracts":* Input total forecasted annual deliveries by resource type
  - > *"Expired Contracts":* User should identify expired contract by name and input annual deliveries (MWh) in the first year contract is no longer delivering for the LSE (per existing contract) and in every year thereafter. For example, if a contract with annual deliveries of 10,000 MWh expired 12/31/2007, user should enter 10,000 MWh in 2008 and in every year thereafter. If this same contract expired 6/30/2007, user should enter 5,000 MWh in 2007 and 10,000 in every year thereafter. If an expired or expiring contract is re-signed, remove contract information from "Expired Contracts" section and enter it under the appropriate contracting year, as you would for any other contract.
21. In the "Contract Status" column, "short-listed/under negotiation" is an option; use the short-listed option only for projects for which the IOU has a high level of confidence that a contract will be executed.
22. If any procurement data for a specific contract differs from what is entered into the CEC-RPS-Track form for that year, the specific cell should be highlighted and the discrepancy should be explained.

**Spreadsheet user notes**

- > Protecting confidential data: Individual cells may be formatted black, which will serve to redact info when excel file is converted to pdf. Select cell - click on "fill color" icon - choose black. Note: Once converted to pdf, additional steps are necessary to ensure redacted data is not accessible.
- > Adding and/or deleting rows. The "Earmarking Detail" tab and "Procurement Detail" tab allow user add to or delete rows. Within the desired section, highlight entire row(s) by selecting the excel row number(s) - right click and select "copy" - right click again and select "insert copied cells"



**RPS Compliance Report: Summary**

<b>Mountain Utilities</b>	<b>2007</b>
8/15/2008	

<b>RPS Summary Report</b>	<b>MWh</b>	<b>%</b>
Prior Year Total Retail Sales	6,913	
Annual Procurement Target (APT)	372	5.4%
Total RPS Eligible Procurement	0	0.0%
Annual Procurement Surplus/(Deficit)	(372)	
Adjusted Procurement Percentage*		4.2%

\* 'Adjusted Procurement Percentage' includes flexible compliance as proposed by the LSE, it is not necessarily used to determine compliance.

<b>RPS Eligible Procurement</b>	<b>MWh</b>	<b>%</b>
Biomass	0	0.0%
Digester Gas	0	0.0%
Biodiesel	0	0.0%
Landfill Gas	0	0.0%
Muni Solid Waste	0	0.0%
<i>Biopower Subtotal</i>	0	0.0%
Geothermal	0	0.0%
Small Hydro	0	0.0%
Conduit Hydro	0	0.0%
Solar PV	0	0.0%
Solar Thermal	0	0.0%
Wind	0	0.0%
Ocean/Tidal	0	0.0%
Fuel Cells	0	0.0%
<b>Total RPS Eligible Procurement</b>	<b>0</b>	<b>0.0%</b>

<b>Flexible Compliance</b>	<b>MWh</b>
IPT Deferral	291
Earmarking	0
Banked Procurement Applied	0
<b>Total Flexible Compliance</b>	<b>291</b>

<b>Deficits and Penalties</b>	<b>2007</b>
Preliminary Procurement (Deficit)	(372)
Adjusted Annual Procurement Deficit	(372)
Adjusted Deficit Deferred	291
Potential Penalty	\$18,584
Current Penalty (with flexible compliance)	\$4,034

\*\* Potential Penalty is calculated based on 'Adjusted Annual Procurement Deficit' and may be deferred or waived if LSE provides allowable reasons and/or uses flexible compliance.

☐ Check box (x) if LSE is including supplemental materials necessary for a full and complete report (include attachments as needed).

- Any supplemental materials should state each reason asserted in support of deferral or waiver of penalty, consistent with allowable reasons for non-compliance listed below. (D.03-12-065, D.03-06-071, D.06-05-010 and Public Utilities Code Section 399.14(a)(2)(C)(ii).)

[ Insufficient response to RFO, Contracts already executed will provide future deliveries sufficient to satisfy current year deficits, Inadequate public goods funds to cover above-market costs, Seller non-performance, Lack of effective competition, Deferral promotes ratepayer interests and RPS objectives, Showing of good cause, Insufficient transmission]

- If stating earmarked contracts as a reason for a temporary deferral, make sure contract names and planned energy deliveries match what is listed in Earmarking Detail and Procurement Detail tabs.



## RPS Compliance Report: Accounting

MOUNTAIN UTILITIES

15-Aug-08

Line#	RPS Baseline Calculation	(MWh)
1	2001 Total California Retail Sales	8,064
2	2001 RPS Eligible Procurement	0
3	2003 Total Retail Sales	8,387
4	2003 Baseline Procurement Amount	81

	Input Required
	Forecasted Data
	Actual Data

	Actual					Forecast		
RPS Procurement and Targets (MWh)	2003	2004	2005	2006	2007	2008	2009	2010
5 Bundled Retail Sales	8,387	6,966	6,837	6,913	8,493	7,773	7,833	7,890
6 Total RPS Eligible Procurement	0	0	0	0	0	311	0	0
7 Annual Procurement Target (APT)	81	N/A	N/A	N/A	372	457	534	1,567
8 Incremental Procurement Target (IPT)	N/A	84	70	68	69	85	78	1,032
9 Preliminary Procurement Surplus/(Deficit)	N/A	N/A	N/A	N/A	(372)	(146)	(534)	(1,567)
10 APT Percentage	N/A	N/A	N/A	N/A	5.4%	5.4%	6.9%	20.0%
11 Actual Procurement Percentage	0.0%	0.0%	0.0%	0.0%	0.0%	3.7%	0.0%	0.0%
12 Adjusted Procurement Percentage*	N/A	N/A	N/A	N/A	4.2%	3.7%	0.0%	0.0%

	Actual					Forecast		
Flexible Compliance - IPT Deferral	2003	2004	2005	2006	2007	2008	2009	2010
13 Maximum Deficit Eligible for Deferral	N/A	N/A	N/A	N/A	291	21	19	20
14 Deficit being Carried Forward to Year + 1	N/A	N/A	N/A	N/A	0	0	0	0
15 Deficit being Carried Forward to Year + 2	N/A	N/A	N/A	N/A	0	0	0	0
16 Deficit being Carried Forward to Year + 3	N/A	N/A	N/A	N/A	291	0	0	0
17 Total Current Year Deficit (≤ 25% IPT) Carried Forward	N/A	N/A	N/A	N/A	291	0	0	0
18 Remaining Deficit from Year - 1 to Be Filled in Current Year	N/A	N/A	N/A	N/A	N/A	0	0	0
19 Remaining Deficit from Year - 2 to Be Filled in Current Year	N/A	N/A	N/A	N/A	N/A	N/A	0	0
20 Remaining Deficit from Year - 3 to Be Filled in Current Year	N/A	N/A	N/A	N/A	N/A	N/A	N/A	(291)
21 Total Prior Year IPT Deficits That Must Be Filled This Year	N/A	N/A	N/A	0	0	0	0	(291)
22 Current Year Surplus Procurement Applied to Year - 1 Deficit	N/A	N/A	N/A	N/A	N/A	0	0	0
23 Current Year Surplus Procurement Applied to Year - 2 Deficit	N/A	N/A	N/A	N/A	N/A	N/A	0	0
24 Current Year Surplus Procurement Applied to Year - 3 Deficit	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0
25 Total Deliveries Applied to Prior Year IPT Deficits	N/A	N/A	N/A	N/A	N/A	0	0	0

	Actual					Forecast		
Flexible Compliance - Earmarking	2003	2004	2005	2006	2007	2008	2009	2010
26 Portion of Current Year Deficit Eligible for Earmarking	N/A	N/A	N/A	N/A	354	124	515	1,547
27 Future Deliveries Earmarked from Year + 1	N/A	N/A	N/A	N/A	0	0	0	0
28 Future Deliveries Earmarked from Year + 2	N/A	N/A	N/A	N/A	0	0	0	0
29 Future Deliveries Earmarked from Year + 3	N/A	N/A	N/A	N/A	0	0	0	0
30 Total Projected Procurement Earmarked to Current Year	N/A	N/A	N/A	N/A	0	0	0	0
31 Current Year Deliveries Earmarked to Year - 1	N/A	N/A	N/A	N/A	N/A	0	0	0
32 Current Year Deliveries Earmarked to Year - 2	N/A	N/A	N/A	N/A	N/A	N/A	0	0
33 Current Year Deliveries Earmarked to Year - 3	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0
34 Total Deliveries Earmarked to Prior Year Earmarked Deficits	N/A	N/A	N/A	N/A	N/A	0	0	0

	Actual					Forecast		
Surplus Procurement Bank	2003	2004	2005	2006	2007	2008	2009	2010
35 Surplus Procurement Bank Balance as of Prior Year	0	0	0	0	0	0	0	0
36 Application of Banked Surplus Procurement to Current Year Deficit								

## RPS COMPLIANCE REPORT -- August 2008

<a href="#">37</a>	Adjusted Current Year Annual Surplus Procurement	0	0	0	0	0	0	0	0
<a href="#">38</a>	Cumulative Surplus Procurement Bank Balance	0	0	0	0	0	0	0	0

		Actual					Forecast		
Adjusted Deficit		2003	2004	2005	2006	2007	2008	2009	2010
<a href="#">39</a>	Adjusted Annual Procurement Deficit	N/A	N/A	N/A	N/A	(372)	(146)	(534)	(1,567)
<a href="#">40</a>	Adjusted Deficit Deferred	N/A	N/A	N/A	N/A	291	0	0	0
<a href="#">41</a>	Potential Penalty	N/A	N/A	N/A	N/A	\$18,584			
<a href="#">42</a>	Current Penalty (with flexible compliance)	N/A	N/A	N/A	N/A	\$4,034			

[illegible][illegible][illegible][illegible]



## RPS Compliance Report: Earmarking Detail

	Input Required
	Forecasted Data
	Actual Data

MOUNTAIN UTILITIES

[Date]

		Actual			Forecast			Forecast			Forecast		
Total Annual Earmarked Generation (MWh)		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
	Contracted Generation	0	0	0	0	0	0	0	0	0	0	0	0
	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0
	Allocated to Year - 2	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0
	Allocated to Year - 3	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0

Contract Name	Contracted Generation												
Eligible for [YEAR] deficit	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A	N/A	N/A									
	Allocated to Year - 2	N/A	N/A	N/A	N/A								
	Allocated to Year - 3	N/A	N/A	N/A	N/A	N/A							
Contract Name	Contracted Generation												
Eligible for [YEAR] deficit	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A	N/A	N/A									
	Allocated to Year - 2	N/A	N/A	N/A	N/A								
	Allocated to Year - 3	N/A	N/A	N/A	N/A	N/A							
Contract Name	Contracted Generation												
Eligible for [YEAR] deficit	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A	N/A	N/A									
	Allocated to Year - 2	N/A	N/A	N/A	N/A								
	Allocated to Year - 3	N/A	N/A	N/A	N/A	N/A							
Contract Name	Contracted Generation												
Eligible for [YEAR] deficit	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A	N/A	N/A									
	Allocated to Year - 2	N/A	N/A	N/A	N/A								
	Allocated to Year - 3	N/A	N/A	N/A	N/A	N/A							
Contract Name	Contracted Generation												
Eligible for [YEAR] deficit	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A	N/A	N/A									
	Allocated to Year - 2	N/A	N/A	N/A	N/A								
	Allocated to Year - 3	N/A	N/A	N/A	N/A	N/A							
Contract Name	Contracted Generation												
Eligible for [YEAR] deficit	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A	N/A	N/A									
	Allocated to Year - 2	N/A	N/A	N/A	N/A								
	Allocated to Year - 3	N/A	N/A	N/A	N/A	N/A							
Contract Name	Contracted Generation												
Eligible for [YEAR] deficit	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A	N/A	N/A									
	Allocated to Year - 2	N/A	N/A	N/A	N/A								
	Allocated to Year - 3	N/A	N/A	N/A	N/A	N/A							
Contract Name	Contracted Generation												
Eligible for [YEAR] deficit	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A	N/A	N/A									
	Allocated to Year - 2	N/A	N/A	N/A	N/A								
	Allocated to Year - 3	N/A	N/A	N/A	N/A	N/A							
Contract Name	Contracted Generation												
Eligible for [YEAR] deficit	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A	N/A	N/A									
	Allocated to Year - 2	N/A	N/A	N/A	N/A								
	Allocated to Year - 3	N/A	N/A	N/A	N/A	N/A							

Forecast			
2017	2018	2019	2020
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0

[illegible]

[illegible][illegible]



Cell: B14

Comment:

Pursuant to D.07-05-028

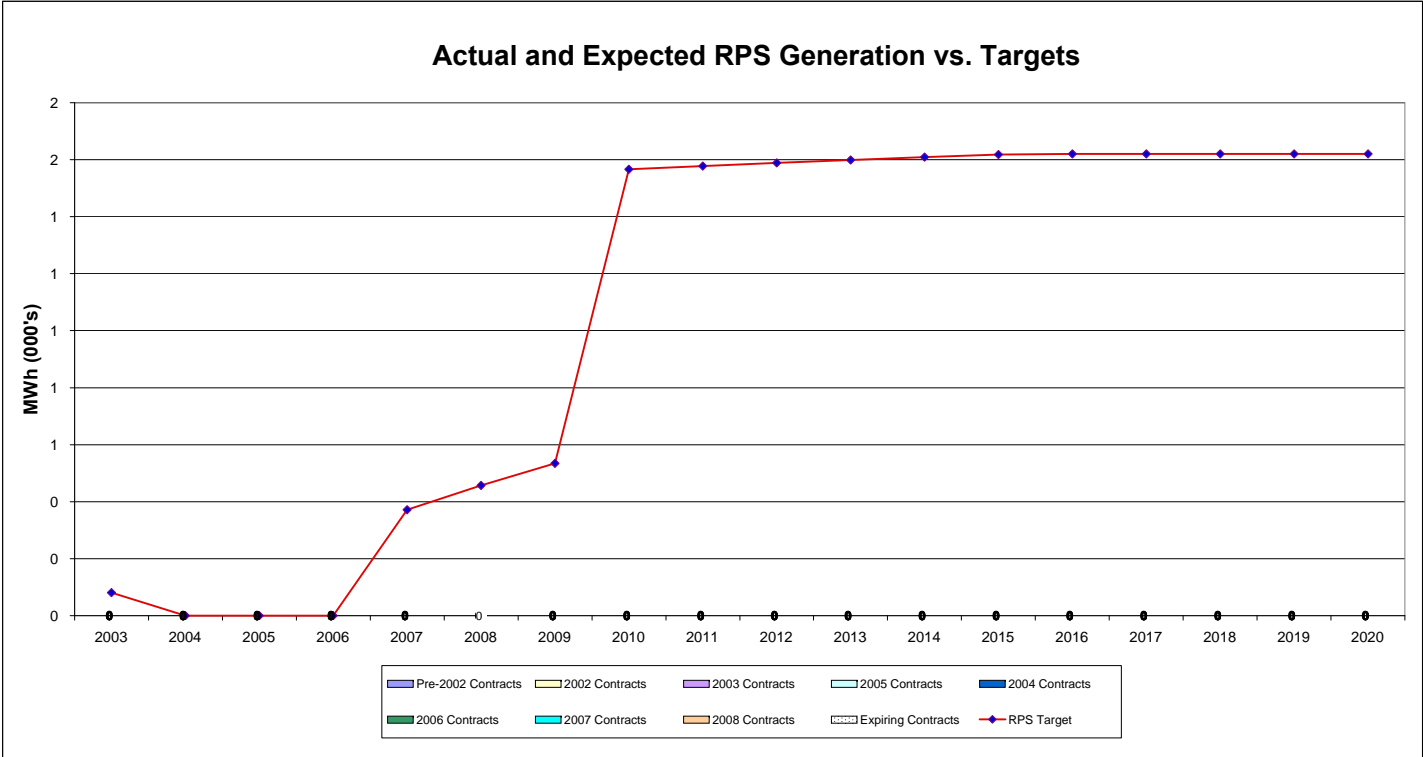
Cell: X60

Comment: Only "2005" and "2006" Contracts signed in 2007 may count towards the minimum quota requirement (D.07-05-028), otherwise select "n/a".

RPS Compliance Report: Performance Chart

[IOU Name]  
[Date]

RPS Procurement and Targets (MWh)	Actual MWh					Forecast MWh			Forecast MWh			Forecast MWh						
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Retail Sales	8,387	6,966	6,837	6,913	8,493	7,773	7,833	7,890	7,944	7,995	8,044	8,091	8,100	8,100	8,100	8,100	8,100	8,100
Actual RPS Procurement %	0.0%	0.0%	0.0%	0.0%	0.0%	3.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
IPT	N/A	84	70	68	69	85	78	1,032	11	11	10	10	9	2	0	0	0	0
APT % (Baseline for 2003)	N/A	N/A	N/A	N/A	5.4%	5.4%	6.9%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
APT as MWh Amount	N/A	N/A	N/A	N/A	372	457	534	1,567	1,578	1,589	1,599	1,609	1,618	1,620	1,620	1,620	1,620	1,620
Preliminary Surplus/(Deficit)	N/A	N/A	N/A	N/A	(372)	(146)	(534)	(1,567)	(1,578)	(1,589)	(1,599)	(1,609)	(1,618)	(1,620)	(1,620)	(1,620)	(1,620)	(1,620)



## RPS Compliance Report: Calculations

RPS Baseline Inputs (MWh)		
Line#	Calculation	Notes
<a href="#">1</a>	User supplied data	Pursuant to D.07-03-046, the <b>2003 Initial Baseline Procurement Amount</b> for the investor owned utilities (IOUs) is calculated using the following equation:
<a href="#">2</a>	User supplied data	
<a href="#">3</a>	User supplied data	
<a href="#">4</a>	<b>Baseline formula =</b>	
		<b>2001 RPS Eligible Procurement</b> X <b>2003 Total Retail Sales</b> + <b>1% of 2001 Total Retail Sales</b>

RPS Procurement and Targets (MWh)		
Line#	Calculation	Notes
<a href="#">5</a>	User supplied data	Annual Retail Sales
<a href="#">6</a>	Data from "Procurement Detail" tab	In current and past years, this line should equal Total RPS Eligible Procurement in procurement detail tab.
<a href="#">7</a>	Prior year Line 7 + Line 8	
<a href="#">8</a>	1% of line 5 (Y-1)	
<a href="#">9</a>	Line 6 - Line 7	
<a href="#">10</a>	Line 7 / Line 5 (Y-1)	In 2003, 2003 RPS procurement is divided by 2001 retail sales rather than 2002 retail sales. RPS procurement percentage after applying flexible compliance, assuming all allowable planned deliveries come online as planned.
<a href="#">11</a>	Line 6 / Line 5 (Y-1)	
<a href="#">12</a>	(Line 6 + Line 17 + Line 25 + Line 30 + Line 34 + Line 36) / Line 5 (Y-1)	

Flexible Compliance - IPT Deferral		
Line#	Calculation	Notes
<a href="#">13</a>	Up to 0.25% of Prior Year Retail Sales	In 2007, 100% of the IPT can be deferred for up to 3 years without explanation.
<a href="#">14-16</a>	User supplied data	Current year deficit carried forward. Warning if cell value is greater than Line 13.
<a href="#">17</a>	Sum of Lines 14:16	
<a href="#">18-20</a>	User supplied data	
<a href="#">21</a>	Sum of Lines 18-20	
<a href="#">22-24</a>	User supplied data	Total deferred IPT obligations due in current year
		Past year IPT obligations retired with current year surplus procurement. Per accounting rules D. 06-10-050, Attachment A, page 9-10, current year deliveries may only be applied to past year IPT deficits after earmarked deliveries have been subtracted, and after any deliveries needed to meet current year APT have also been subtracted (D.03-06-071), Conclusion of Law 25).
<a href="#">25</a>	Sum of Lines 22-24	Total current year surplus applied to prior year IPT obligations due in current year

Flexible Compliance - Earmarking		
Line#	Calculation	Notes
<a href="#">26</a>	Line 9 + Line 13 + Line 34	Portion of current year deficit greater than allowable IPT Deferral
<a href="#">27-29</a>	Data from "Earmarking Detail" tab	User supplied data from "planned" column in respective year
<a href="#">30</a>	Sum of Lines 27:29	
<a href="#">31-33</a>	Data from "Earmarking Detail" tab	
<a href="#">34</a>	Sum of Lines 31:33	Total current year surplus subtracted to meet prior years Earmarking obligations due in current year

Surplus Procurement Bank		
Line#	Calculation	Notes
<a href="#">35</a>	Line 38 (Y-1)	Current year surplus procurement less any prior year IPT obligations and/or Earmarking obligations
<a href="#">36</a>	User supplied data	
<a href="#">37</a>	Line 9+ Line 25 + Line 34	
<a href="#">38</a>	Sum of Lines 35:37	

Adjusted Deficit		
Line#	Calculation	Notes
<a href="#">39</a>	Line 9 + balance of IPT obligations after 3 years + balance of Earmarking obligations after 3 years	In any current year, the adjusted annual procurement deficit is the LSE's annual deficit less any deliveries used to meet IPT or Earmarking obligations for prior years deficits. Any portion of adjusted annual procurement deficit that remains after the following three years is subject to penalty.
<a href="#">40</a>	Balance of IPT obligations after 3 years + balance of Earmarking obligations after 3	In any current year, the adjusted deficit temporarily excused is the sum of IPT deferral and Earmarked deliveries (line 17+ line 30). Any portion of line 40 remaining after 3 years will be reflected in line 39 and subject to penalty.
<a href="#">41</a>	Line 39 * \$50.0	Per accounting rules, LSEs must list penalty based the size of on adjusted annual procurement deficit, even if allowable reasons are being given for why the penalty is not yet due and payable. Penalties are assessed at \$0.05/kWh deficit.
<a href="#">42</a>	(Line 39 + 40) * \$50.0	LSEs have the opportunity to make up annual procurement deficits through existing flexible compliance rules. Accordingly, if an LSE has a deficit in year 1, and is able to fully exercise flexible compliance mechanisms, the penalty for year 1 compliance may not apply.

## OFFICER VERIFICATION FORM

I am an officer of the reporting corporation herein, and am authorized to make this verification on its behalf. The statements in the foregoing document are true of my own knowledge, except as to matters which are therein stated on information or belief, and as to those matters I believe them to be true. The spreadsheet format used to file this compliance report has not [has] been altered from the version issued or approved by Energy Division [, with the alterations described in this report].

I declare under penalty of perjury that the foregoing is true and correct.

Executed on August 14, 2008 at Fairfield, California.

(Date)

(Name of city)

A handwritten signature in cursive script that reads "John Dutcher".

---

John Dutcher, V.P. - Reg. Affairs

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Continue  
Implementation and Administration of California  
Renewables Portfolio Standard Program.

Rulemaking 06-05-027  
(Filed May 25, 2006)

**MOUNTAINUTILITIES' Modified AUGUST 2008 SEMI-  
ANNUAL COMPLIANCE REPORT PURSUANT TO THE  
CALIFORNIA RENEWABLES PORTFOLIO STANDARD**

14-Aug-08

Name: John Dutcher  
Title: V.P. - Reg. Affairs  
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Phone: (707) 426-4003  
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Fairfield, CA 94534

## CALIFORNIA'S RENEWABLES PORTFOLIO STANDARD

### Reporting and Compliance Worksheet Instructions

1. California's RPS Program requires Investor Owned Utilities (IOU), Multi-Jurisdictional Utilities (MJU), and Electric Service Providers (ESP) file a minimum of two reports each year illustrating performance within the program.
  - > The March 1 report (with updates after the California Energy Commission (CEC) verifies procurement, as needed) is used by the Commission to determine compliance for the prior year(s). This report states historic performance in the RPS program, current year targets and procurement data, and forecasts targets and procurement data for at least three years (D.06-10-050, page 45, 49).
  - > The August 1 report states historic performance in the RPS program, current year targets and procurement data, and forecasts targets and procurement levels for each year forward through 2020 (D.06-10-050, page 45, 51). The August report may be used by the Commission to make a final determination of compliance for the prior year(s).
2. If any load serving entity (LSE) seeks confidentiality protection for any of the information required by the RPS Compliance Report, it shall comply with the substantive and procedural rules set forth in D.06-06-066, as modified by D.08-04-023, the Commission's decision in its Confidentiality proceeding, Rulemaking (R.) 05-06-040, and any subsequent decisions issued in the same or successor proceeding. A declaration for Confidentiality should include the identification of all redacted information by tab name and cell reference.
3. RPS compliance reports will be submitted to the Commission as specified below:
  - > Serve a public version on the service list in proceeding R.06-05-027
  - > File a confidential version with the Energy Division
4. Any questions regarding the completion and/or filing of this report can be directed to:  
Sean Simon, Energy Division, California Public Utilities Commission: [svn@cpuc.ca.gov](mailto:svn@cpuc.ca.gov), (415) 703-3791
5. Please make sure that the following information about the filing entity is included on each tab:
  - > Name of the LSE filing the Report
  - > Date the Report is being filed
6. Include a Title Page in accordance with the Commission's Rules of Practice and Procedure (Rule 1.6)
7. Complete the Officer Verification Form in the format provided (Rule 1.11)
8. Yellow cells throughout the spreadsheet indicate user supplied data by the LSE where and when applicable.
9. All data must be entered in MWh out to three decimal points to accurately account for retail sales, procurement and targets. The spreadsheet will display MWh throughout. Do not round any reporting data.
10. The spreadsheet included in this report has locked cells to ensure that targets, procurement and penalties are accurately calculated and reported from the data provided by the user. An unprotected version of the spreadsheet is also available by request.
11. Line #'s in the "Accounting" tab hyperlink to the "Calculations" tab, which provides additional information on the particular line item or section of the "Accounting" tab.

#### SUMMARY TAB

12. The "Summary" tab is linked to the "Accounting" tab and "Procurement Detail" tab, no data entry is required.
13. If the LSE determines that additional information is required in order to present a full and complete report, mark the box provided on the "Summary" tab. Any additional information should support the LSE's claim within the guidelines of the eight allowable reasons for noncompliance. Furthermore, please state anything else the filing LSE believes is necessary for a full and complete reporting to the Commission in order to allow an informed decision on compliance. This may include, for example, footnotes and other explanatory information as necessary and reasonable.

#### ACCOUNTING TAB

14. Begin by entering the relevant data for Lines 1-3, this will calculate the LSE's Baseline Procurement Amount. Enter actual and forecasted sales figures to generate Incremental Procurement Targets (IPTs) and Annual Procurement Targets (APTs).
15. In deficit years, the spreadsheet calculates what portion of the deficit is eligible for IPT deferral and Earmarking. The user records how they elect to treat the deficit(s) in the relevant sections, including using surplus procurement. The spreadsheet calculates the allowable IPT deferral and Earmarking amount through 2020.

#### EARMARKING DETAIL TAB

16. Enter information for contracts that are eligible for earmarking and are being used for flexible compliance purposes. Data populates the earmarking section in the "Accounting" tab.

PROCUREMENT DETAIL TAB
------------------------

17. Procurement Summary: *Total RPS Eligible Procurement* is differentiated by three categories, *existing and or signed contracts*, *short-listed/under negotiation/pending approval*, and *generic future contracts*. This section is populated by completing the Contract Detail section below. If the LSE has entered into contracts that are short-term or with existing facilities but cannot meet its Annual Minimum Contracting Requirement, then deliveries from those contracts may not be used for compliance in any year (D.07-05-028).
  - > *Annual Contracting Quota Requirement:* LSEs must enter into long-term contracts or contracts with new facilities for energy deliveries equivalent to at least 0.25% of that LSE's prior years' retail sales, if it intends to use deliveries from short-term contracts and/or existing facilities, for RPS compliance purposes.
    - Contracts are differentiated by Contract term-length and type (row 15:16). All deliveries from "long-term and/or new" are automatically entered into "Cumulative Surplus Contracting Quota Bank" (row 19) and the user must input the MWh in row 18 that the LSE needs to comply with the Annual Contracting Quota Requirement, if necessary.
18. Procurement Summary: *Total RPS Eligible Procurement* is differentiated by three categories, *existing and or signed contracts*, *short-listed/under negotiation/pending approval*, and *generic future contracts*. This section is populated by completing the Contract Detail section below.
19. RPS Eligible Procurement by Resource Type: This report must state the amount procured or projected to be procured from each resource type (D.05-07-039, Appendix A, D.06-10-050, page 47-48). This information is reported in rows 23-36 in the "Procurement Detail" tab and populated by completing the "Contract Detail" section.
20. Contract Detail: For each contract, enter actual and forecasted delivery data throughout the contract term. Do not assume that an expiring contract will be renegotiated. In the first year a project is no longer under contract, remove the contract and/or MWh deliveries (in the case of pre-2002 contracts), and list the contract in the Expired Contracts section below.
  - > *Pre-2002 Contracts:* Input total annual deliveries by resource type.
  - > *2002-2008 years' Contracts:* List contracts by name, annual deliveries (MWh), project status, facility status and resource type.
  - > *2005-2008 years' Contracts:* In addition to the requirements above, Contracts from these years should be identified by term-length, short-term (less than 10 years) and long-term, as well as, by type, existing or new (defined below). For 2005 and 2006 contracts that were signed prior to 2007 can be identified as "n/a" for this purpose (refer to Column "X").
    - *"Contract Length / Type"* (Column "X") Pursuant to D.07-05-028, starting in 2007, each RPS-obligated LSE must, in order to be able to count for any RPS compliance purpose energy deliveries from contracts of less than 10 years' duration ("short-term") with RPS-eligible facilities that commenced commercial operation prior to January 1, 2005 ("existing facilities"), in each calendar year enter into contracts with facilities of at least 10 years' duration ("long-term") and/or short-term contracts with facilities that commenced commercial operation on or after January 1, 2005 ("new facilities") for energy deliveries equivalent to at least 0.25% of that LSE's prior year's retail sales ("minimum quantity").
    - *"Contract Volume"* (Column "Y") Input the total annual MWh as identified in the contract. Compliance with the minimum quota requirement is measured by contracted-for-energy, not deliveries.
  - > *"Generic Future Contracts":* Input total forecasted annual deliveries by resource type
  - > *"Expired Contracts":* User should identify expired contract by name and input annual deliveries (MWh) in the first year contract is no longer delivering for the LSE (per existing contract) and in every year thereafter. For example, if a contract with annual deliveries of 10,000 MWh expired 12/31/2007, user should enter 10,000 MWh in 2008 and in every year thereafter. If this same contract expired 6/30/2007, user should enter 5,000 MWh in 2007 and 10,000 in every year thereafter. If an expired or expiring contract is re-signed, remove contract information from "Expired Contracts" section and enter it under the appropriate contracting year, as you would for any other contract.
21. In the "Contract Status" column, "short-listed/under negotiation" is an option; use the short-listed option only for projects for which the IOU has a high level of confidence that a contract will be executed.
22. If any procurement data for a specific contract differs from what is entered into the CEC-RPS-Track form for that year, the specific cell should be highlighted and the discrepancy should be explained.

**Spreadsheet user notes**

- > Protecting confidential data: Individual cells may be formatted black, which will serve to redact info when excel file is converted to pdf. Select cell - click on "fill color" icon - choose black. Note: Once converted to pdf, additional steps are necessary to ensure redacted data is not accessible.
- > Adding and/or deleting rows. The "Earmarking Detail" tab and "Procurement Detail" tab allow user add to or delete rows. Within the desired section, highlight entire row(s) by selecting the excel row number(s) - right click and select "copy" - right click again and select "insert copied cells"



**RPS Compliance Report: Summary**

<b>MOUNTAIN UTILITIES</b>	<b>2007</b>
15-Aug-08	

<b>RPS Summary Report</b>	<b>MWh</b>	<b>%</b>
Prior Year Total Retail Sales	6,913	8,493
Annual Procurement Target (APT)	372	5.4%
Total RPS Eligible Procurement	0	0.0%
Annual Procurement Surplus/(Deficit)	(372)	
Adjusted Procurement Percentage*		5.4%

\* 'Adjusted Procurement Percentage' includes flexible compliance as proposed by the LSE, it is not necessarily used to determine compliance.

<b>RPS Eligible Procurement</b>	<b>MWh</b>	<b>%</b>
Biomass	0	0.0%
Digester Gas	0	0.0%
Biodiesel	0	0.0%
Landfill Gas	0	0.0%
Muni Solid Waste	0	0.0%
<i>Biopower Subtotal</i>	0	0.0%
Geothermal	0	0.0%
Small Hydro	0	0.0%
Conduit Hydro	0	0.0%
Solar PV	0	0.0%
Solar Thermal	0	0.0%
Wind	0	0.0%
Ocean/Tidal	0	0.0%
Fuel Cells	0	0.0%
<b>Total RPS Eligible Procurement</b>	<b>0</b>	<b>0.0%</b>

<b>Flexible Compliance</b>	<b>MWh</b>
IPT Deferral	372
Earmarking	0
Banked Procurement Applied	0
<b>Total Flexible Compliance</b>	<b>372</b>

<b>Deficits and Penalties</b>	<b>2007</b>
Preliminary Procurement (Deficit)	(372)
Adjusted Annual Procurement Deficit	(372)
Adjusted Deficit Deferred	372
Potential Penalty	\$18,600
Current Penalty (with flexible compliance)	\$0

\*\* Potential Penalty is calculated based on 'Adjusted Annual Procurement Deficit' and may be deferred or waived if LSE provides allowable reasons and/or uses flexible compliance.

☐ Check box (x) if LSE is including supplemental materials necessary for a full and complete report (include attachments as needed).

- Any supplemental materials should state each reason asserted in support of deferral or waiver of penalty, consistent with allowable reasons for non-compliance listed below. (D.03-12-065, D.03-06-071, D.06-05-010 and Public Utilities Code Section 399.14(a)(2)(C)(ii).)

[ Insufficient response to RFO, Contracts already executed will provide future deliveries sufficient to satisfy current year deficits, Inadequate public goods funds to cover above-market costs, Seller non-performance, Lack of effective competition, Deferral promotes ratepayer interests and RPS objectives, Showing of good cause, Insufficient transmission]

- If stating earmarked contracts as a reason for a temporary deferral, make sure contract names and planned energy deliveries match what is listed in Earmarking Detail and Procurement Detail tabs.

## RPS Compliance Report: Accounting

## MOUNTAIN UTILITIES - Modified Report

15-Aug-08

Line#	RPS Baseline Calculation	(MWh)
1	2001 Total California Retail Sales	8,064
2	2001 RPS Eligible Procurement	0
3	2003 Total Retail Sales	8,387
4	2003 Baseline Procurement Amount	80.64

	Input Required
	Forecasted Data
	Actual Data

	Actual					Forecast		
RPS Procurement and Targets (MWh)	2003	2004	2005	2006	2007	2008	2009	2010
5 Bundled Retail Sales	8,387	6,966	6,837	6,913	8,493	7,773	7,833	7,890
6 Total RPS Eligible Procurement	0	0	0	0	0	311	1,567	1,578
7 Annual Procurement Target (APT)	81	N/A	N/A	N/A	372	457	534	1,567
8 Incremental Procurement Target (IPT)	N/A	84	70	68	69	85	78	1,032
9 Preliminary Procurement Surplus/(Deficit)	N/A	N/A	N/A	N/A	(372)	(146)	1,033	11
10 APT Percentage	N/A	N/A	N/A	N/A	5.4%	5.4%	6.9%	20.0%
11 Actual Procurement Percentage	0.0%	0.0%	0.0%	0.0%	0.0%	3.7%	20.2%	20.1%
12 Adjusted Procurement Percentage*	N/A	N/A	N/A	N/A	5.4%	8.3%	20.2%	20.1%

	Actual					Forecast		
Flexible Compliance - IPT Deferral	2003	2004	2005	2006	2007	2008	2009	2010
13 Maximum Deficit Eligible for Deferral	N/A	N/A	N/A	N/A	372	21	0	0
14 Deficit being Carried Forward to Year + 1	N/A	N/A	N/A	N/A	372	393	0	0
15 Deficit being Carried Forward to Year + 2	N/A	N/A	N/A	N/A	0	0	0	0
16 Deficit being Carried Forward to Year + 3	N/A	N/A	N/A	N/A	0	0	0	0
17 Total Current Year Deficit (≤ 25% IPT) Carried Forward	N/A	N/A	N/A	N/A	372	393	0	0
18 Remaining Deficit from Year - 1 to Be Filled in Current Year	N/A	N/A	N/A	N/A	N/A	(372)	(393)	0
19 Remaining Deficit from Year - 2 to Be Filled in Current Year	N/A	N/A	N/A	N/A	N/A	N/A	0	0
20 Remaining Deficit from Year - 3 to Be Filled in Current Year	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0
21 Total Prior Year IPT Deficits That Must Be Filled This Year	N/A	N/A	N/A	0	0	(372)	(393)	0
22 Current Year Surplus Procurement Applied to Year - 1 Deficit	N/A	N/A	N/A	N/A	N/A	0	0	0
23 Current Year Surplus Procurement Applied to Year - 2 Deficit	N/A	N/A	N/A	N/A	N/A	N/A	0	0
24 Current Year Surplus Procurement Applied to Year - 3 Deficit	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0
25 Total Deliveries Applied to Prior Year IPT Deficits	N/A	N/A	N/A	N/A	N/A	0	0	0

	Actual					Forecast		
Flexible Compliance - Earmarking	2003	2004	2005	2006	2007	2008	2009	2010
26 Portion of Current Year Deficit Eligible for Earmarking	N/A	N/A	N/A	N/A	354	124	0	0
27 Future Deliveries Earmarked from Year + 1	N/A	N/A	N/A	N/A	0	0	0	0
28 Future Deliveries Earmarked from Year + 2	N/A	N/A	N/A	N/A	0	0	0	0
29 Future Deliveries Earmarked from Year + 3	N/A	N/A	N/A	N/A	0	0	0	0
30 Total Projected Procurement Earmarked to Current Year	N/A	N/A	N/A	N/A	0	0	0	0
31 Current Year Deliveries Earmarked to Year - 1	N/A	N/A	N/A	N/A	N/A	0	0	0
32 Current Year Deliveries Earmarked to Year - 2	N/A	N/A	N/A	N/A	N/A	N/A	0	0
33 Current Year Deliveries Earmarked to Year - 3	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0
34 Total Deliveries Earmarked to Prior Year Earmarked Deficits	N/A	N/A	N/A	N/A	N/A	0	0	0

	Actual					Forecast		
Surplus Procurement Bank	2003	2004	2005	2006	2007	2008	2009	2010
35 Surplus Procurement Bank Balance as of Prior Year	0	0	0	0	0	0	0	1,033
36 Application of Banked Surplus Procurement to Current Year Deficit								

RPS COMPLIANCE REPORT - August 2008 unlocked model									
37	Adjusted Current Year Annual Surplus Procurement	0	0	0	0	0	0	1,033	11
38	Cumulative Surplus Procurement Bank Balance	0	0	0	0	0	0	1,033	1,044

		Actual					Forecast		
Adjusted Deficit		2003	2004	2005	2006	2007	2008	2009	2010
39	Adjusted Annual Procurement Deficit	N/A	N/A	N/A	N/A	(372)	(146)	0	0
40	Adjusted Deficit Deferred	N/A	N/A	N/A	N/A	372	393	0	0
41	Potential Penalty	N/A	N/A	N/A	N/A	\$18,600			
42	Current Penalty (with flexible compliance)	N/A	N/A	N/A	N/A	\$0			

Potential Penalty may be deferred or waived if LSE provides allowable reasons and/or uses flexible compliance

Forecast			Forecast						
2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
7,944	7,995	8,044	8,091	8,100	8,100	8,100	8,100	8,100	8,100
1,589	1,599	1,609	1,618	1,620	1,620	1,620	1,620	1,620	1,620
1,578	1,589	1,599	1,609	1,618	1,620	1,620	1,620	1,620	1,620
11	11	10	10	9	2	0	0	0	0
11	10	10	9	2	0	0	0	0	0
20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
20.1%	20.1%	20.1%	20.1%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
20.1%	20.1%	20.1%	20.1%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%

[illegible][illegible][illegible]



## RPS Compliance Report: Earmarking Detail


Input Required  
Forecasted Data  
Actual Data

MOUNTAIN UTILITIES - Modified Report

15-Aug-08

		Actual			Forecast			Forecast					
Total Annual Earmarked Generation (MWh)		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
	Contracted Generation	0	0	0	0	0	0	0	0	0	0	0	0
	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A	N/A	N/A	0	0	0	0	0	0	0	0	0
	Allocated to Year - 2	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0	0
	Allocated to Year - 3	N/A	N/A	N/A	N/A	N/A	0	0	0	0	0	0	0

Contract Name	Contracted Generation												
Eligible for [YEAR] deficit	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A	N/A	N/A									
	Allocated to Year - 2	N/A	N/A	N/A	N/A								
	Allocated to Year - 3	N/A	N/A	N/A	N/A	N/A							
Contract Name	Contracted Generation												
Eligible for [YEAR] deficit	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A	N/A	N/A									
	Allocated to Year - 2	N/A	N/A	N/A	N/A								
	Allocated to Year - 3	N/A	N/A	N/A	N/A	N/A							
Contract Name	Contracted Generation												
Eligible for [YEAR] deficit	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A	N/A	N/A									
	Allocated to Year - 2	N/A	N/A	N/A	N/A								
	Allocated to Year - 3	N/A	N/A	N/A	N/A	N/A							
Contract Name	Contracted Generation												
Eligible for [YEAR] deficit	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A	N/A	N/A									
	Allocated to Year - 2	N/A	N/A	N/A	N/A								
	Allocated to Year - 3	N/A	N/A	N/A	N/A	N/A							
Contract Name	Contracted Generation												
Eligible for [YEAR] deficit	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A	N/A	N/A									
	Allocated to Year - 2	N/A	N/A	N/A	N/A								
	Allocated to Year - 3	N/A	N/A	N/A	N/A	N/A							
Contract Name	Contracted Generation												
Eligible for [YEAR] deficit	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A	N/A	N/A									
	Allocated to Year - 2	N/A	N/A	N/A	N/A								
	Allocated to Year - 3	N/A	N/A	N/A	N/A	N/A							
Contract Name	Contracted Generation												
Eligible for [YEAR] deficit	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A	N/A	N/A									
	Allocated to Year - 2	N/A	N/A	N/A	N/A								
	Allocated to Year - 3	N/A	N/A	N/A	N/A	N/A							
Contract Name	Contracted Generation												
Eligible for [YEAR] deficit	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A	N/A	N/A									
	Allocated to Year - 2	N/A	N/A	N/A	N/A								
	Allocated to Year - 3	N/A	N/A	N/A	N/A	N/A							
Contract Name	Contracted Generation												
Eligible for [YEAR] deficit	Withdrawal from Current Year	0	0	0	0	0	0	0	0	0	0	0	0
	Allocated to Year - 1	N/A	N/A	N/A									
	Allocated to Year - 2	N/A	N/A	N/A	N/A								
	Allocated to Year - 3	N/A	N/A	N/A	N/A	N/A							

Forecast			
2017	2018	2019	2020
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0

[illegible]



## RPS Compliance Report: Procurement Detail

	Input Required
	Forecasted Data
	Actual Data

## MOUNTAIN UTILITIES - Modified Report

15-Aug-08

	Actual MWh					Forecast MWh				Forecast MWh				Forecast MWh				
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Procurement Summary																		
Total RPS Eligible Procurement & Generation	0	0	0	0	0	311	1,567	1,578	1,589	1,599	1,609	1,618	1,620	1,620	1,620	1,620	1,620	1,620
Existing and/or Signed Contracts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Short-listed/Under Negotiation/Pending Approval	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Generic Future Contracts or Generation	0	0	0	0	0	311	1,567	1,578	1,589	1,599	1,609	1,618	1,620	1,620	1,620	1,620	1,620	1,620
Annual Contracting Quota Requirement	N/A	N/A	N/A	N/A	17	21	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
RPS Contracts: long-term and/or new facilities	N/A	N/A	N/A	N/A	0	0												
RPS Contracts: short-term with existing facilities	N/A	N/A	N/A	N/A	0	0												
Surplus Contracting Quota Bank as of Prior Year	N/A	N/A	N/A	N/A	0	0												
Banked Surplus Applied to Annual Quota	N/A	N/A	N/A	N/A	0	0												
Cumulative Surplus Contracting Quota Bank	N/A	N/A	N/A	N/A	0	0												
Minimum Annual Contracting Quota Shortfall	N/A	N/A	N/A	N/A	N/A	(17)	(21)											
RPS-Eligible Procurement By Resource Type																		
Biomass	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Geothermal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Biodiesel	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Landfill Gas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Municipal Solid Waste	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Biopower Subtotal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Geothermal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Small Hydro	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Conduit Hydro	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Solar PV	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Solar Thermal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wind	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ocean/Tidal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fuel Cells	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

RPS-Eligible Procurement By Resource Type	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Biomass	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Digester Gas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Biodiesel	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Landfill Gas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Muni Solid Waste	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Biopower Subtotal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Geothermal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Small Hydro	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Conduit Hydro	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Solar PV	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Solar Thermal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wind	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ocean/Tidal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fuel Cells	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Contract Detail	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Contract Status	Facility Status	Resource Type
Pre-2002 Contracts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Biomass	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			Biomass
Digester Gas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			Digester Gas
Biodiesel	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			Biodiesel
Landfill Gas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			Landfill Gas
Muni Solid Waste	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			Muni Solid Waste
Geothermal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			Geothermal
Small Hydro	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			Small Hydro
Conduit Hydro	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			Conduit Hydro
Solar PV	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			Solar PV
Solar Thermal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			Solar Thermal
Wind	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			Wind
Ocean/Tidal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			Ocean/Tidal
Fuel Cells	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			Fuel Cells
2002 Contracts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
2003 Contracts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
2004 Contracts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
2005 Contracts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
2006 Contracts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
2007 Contracts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
2008 Contracts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Generic Future Contracts	0	0	0	0	0	311	1,567	1,578	1,589	1,599	1,609	1,618	1,620	1,620	1,620	1,620	1,620	1,620	notes		
Generic Biomass	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			Biomass
Generic Digester Gas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			Digester Gas
Generic Biodiesel	0	0	0	0	0	311	1,567	1,578	1,589	1,599	1,609	1,618	1,620	1,620	1,620	1,620	1,620	1,620			Biodiesel
Generic Landfill Gas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			Landfill Gas
Generic Muni Solid Waste	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			Muni Solid Waste
Generic Geothermal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			Geothermal
Generic Small Hydro	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			Small Hydro
Generic Conduit Hydro	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			Conduit Hydro
Generic Solar PV	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			Solar PV
Generic Solar Thermal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			Solar Thermal
Generic Wind	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			Wind
Generic Ocean/Tidal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			Ocean/Tidal
Generic Fuel Cells	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			Fuel Cells
Expired Contracts (delivered in prior year)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	notes		
Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
Contract Name	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			

Minimum Contracting Required  
Starting in 2007, RPS-obligated L1  
calendar year, enter into long-term  
short-term contracts with new facilities  
delivered equivalent to at least 0.1  
prior year's retail sales (minimum  
be able to count energy deliveries  
contracts with existing RPS-obligated  
RPS compliance purposes. (D.07-C)

Contract Term Definitions  
- Long-term contract: At least 10 y  
- Short-term contract: Less than 10 y  
- New Facility: Commenced construction  
or after January 1, 2005  
- Existing Facility: Commenced construction  
prior to January 1, 2005

Contract Length / Type

Cell: B14

Comment:

Pursuant to D.07-05-028

Cell: J60

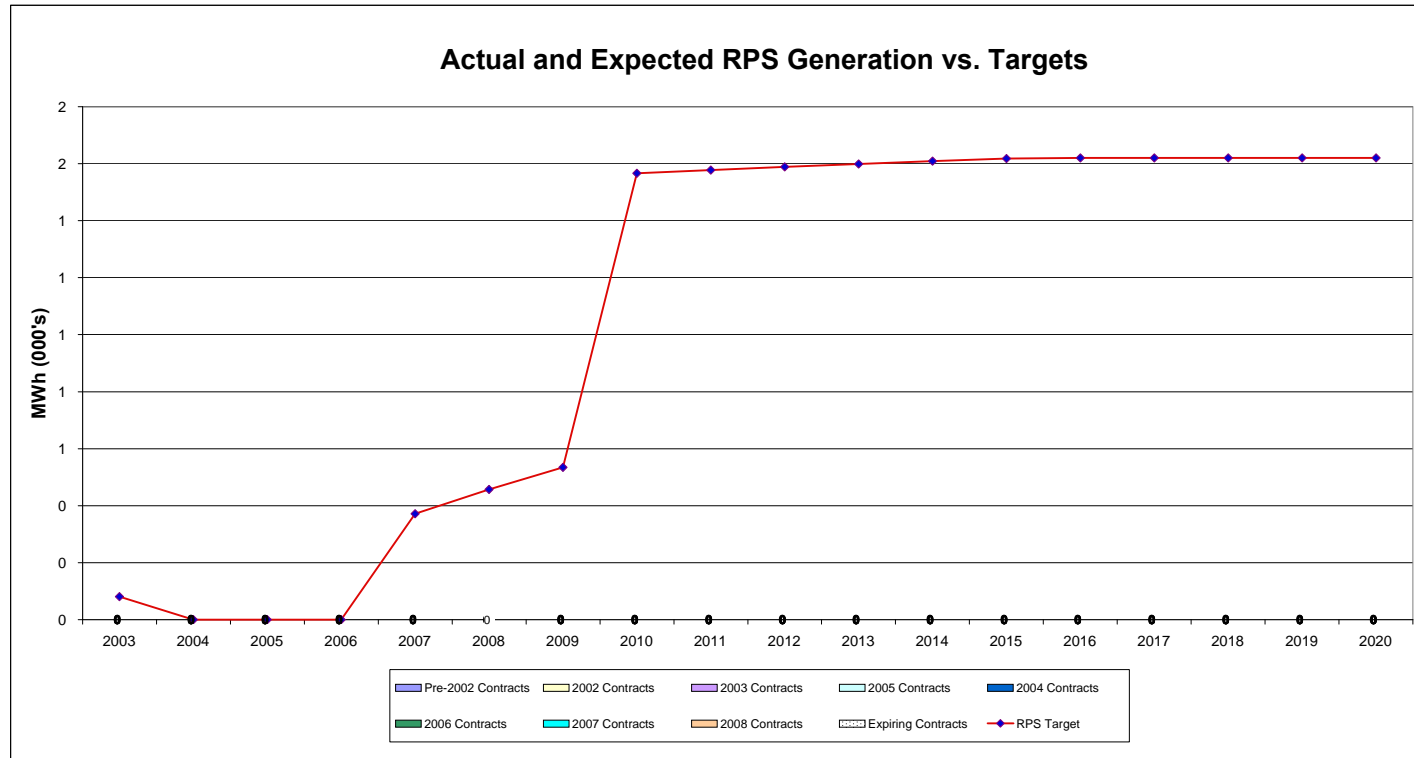
Comment: Only "2005" and "2006" Contracts signed in 2007 may count towards the minimum quota requirement (D.07-05-028), otherwise select "n/a".

## RPS Compliance Report: Performance Chart

[IOU Name]

[Date]

RPS Procurement and Targets (MWh)	Actual MWh					Forecast MWh			Forecast MWh			Forecast MWh						
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Retail Sales	8,387	6,966	6,837	6,913	8,493	7,773	7,833	7,890	7,944	7,995	8,044	8,091	8,100	8,100	8,100	8,100	8,100	8,100
Actual RPS Procurement %	0.0%	0.0%	0.0%	0.0%	0.0%	3.7%	20.2%	20.1%	20.1%	20.1%	20.1%	20.1%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
IPT	N/A	84	70	68	69	85	78	1,032	11	11	10	10	9	2	0	0	0	0
APT % (Baseline for 2003)	N/A	N/A	N/A	N/A	5.4%	5.4%	6.9%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
APT as MWh Amount	N/A	N/A	N/A	N/A	372	457	534	1,567	1,578	1,589	1,599	1,609	1,618	1,620	1,620	1,620	1,620	1,620
Preliminary Surplus/(Deficit)	N/A	N/A	N/A	N/A	(372)	(146)	1,033	11	11	10	10	9	2	0	0	0	0	0



## RPS Compliance Report: Calculations

RPS Baseline Inputs (MWh)		
Line#	Calculation	Notes
1	User supplied data	Pursuant to D.07-03-046, the <b>2003 Initial Baseline Procurement Amount</b> for the investor owned utilities (IOUs) is calculated using the following equation:
2	User supplied data	
3	User supplied data	
4	<b>Baseline formula =</b>	<b><math>\frac{2001 \text{ RPS Eligible Procurement}}{2001 \text{ Total Retail Sales}} \times 2003 \text{ Total Retail Sales} + 1\% \text{ of } 2001 \text{ Total Retail Sales}</math></b>

RPS Procurement and Targets (MWh)		
9	MU Note:	Line 9 of the Procurement Detail, Columns I through T, Formula adjusted to sum Rows 10 through 12, as is done in Column H to reflect MU's planned biodiesel generation, rather than procurement, of RECs.
	Calculation	Notes
5	User supplied data	Annual Retail Sales
6	Data from "Procurement Detail" tab	In current and past years, this line should equal Total RPS Eligible Procurement in procurement detail tab.
7	Prior year Line 7 + Line 8	
8	1% of line 5 (Y-1)	
9	Line 6 - Line 7	
10	Line 7 / Line 5 (Y-1)	
11	Line 6 / Line 5 (Y-1)	In 2003, 2003 RPS procurement is divided by 2001 retail sales rather than 2002 retail sales.
12	(Line 6 + Line 17 + Line 25 + Line 30 + Line 34 + Line 36) / Line 5 (Y-1)	RPS procurement percentage after applying flexible compliance, assuming all allowable planned deliveries come online as planned.

Flexible Compliance - IPT Deferral		
	Calculation	Notes
13	Up to 0.25% of Prior Year Retail Sales	In 2007, 100% of the IPT can be deferred for up to 3 years without explanation.
14-16	User supplied data	
17	Sum of Lines 14:16	Current year deficit carried forward. Warning if cell value is greater than Line 13.
18-20	Record of Lines 14:16	Deferred IPT obligations due in current year.
21	Sum of Lines 18-20	Total deferred IPT obligations due in current year
22-24	User supplied data	Past year IPT obligations retired with current year surplus procurement. Per accounting rules D. 06-10-050, Attachment A, page 9-10, current year deliveries may only be applied to past year IPT deficits after earmarked deliveries have been subtracted, and after any deliveries needed to meet current year APT have also been subtracted (D.03-06-071). Conclusion of Law 25).
25	Sum of Lines 22-24	Total current year surplus applied to prior year IPT obligations due in current year

Flexible Compliance - Earmarking		
	Calculation	Notes
26	Line 9 + Line 13 + Line 34	Portion of current year deficit greater than allowable IPT Deferral
27-29	Data from "Earmarking Detail" tab	User supplied data from "planned" column in respective year
30	Sum of Lines 27:29	
31-33	Data from "Earmarking Detail" tab	User supplied data. Current year deliveries may only be applied to past year deficits which have been deferred by earmarking, after current year APT has been met (D.03-06-071), Conclusion of Law 25).
34	Sum of Lines 31:33	Total current year surplus subtracted to meet prior years Earmarking obligations due in current year

Surplus Procurement Bank		
	Calculation	Notes
35	Line 38 (Y-1)	
36	User supplied data	
37	Line 9+ Line 25 + Line 34	Current year surplus procurement less any prior year IPT obligations and/or Earmarking obligations
38	Sum of Lines 35:37	

Adjusted Deficit		
	Calculation	Notes
39	Line 9 + balance of IPT obligations after 3 years + balance of Earmarking obligations after 3 years	In any current year, the adjusted annual procurement deficit is the LSE's annual deficit less any deliveries used to meet IPT or Earmarking obligations for prior years deficits. Any portion of adjusted annual procurement deficit that remains after the following three years is subject to penalty.
40	Balance of IPT obligations after 3 years + balance of Earmarking obligations after 3 years	In any current year, the adjusted deficit temporarily excused is the sum of IPT deferral and Earmarked deliveries (line 17+ line 30). Any portion of line 40 remaining after 3 years will be reflected in line 39 and subject to penalty.
41	Line 39 * \$50.0	Per accounting rules, LSEs must list penalty based the size of on adjusted annual procurement deficit, even if allowable reasons are being given for why the penalty is not yet due and payable. Penalties are assessed at \$0.05/kWh deficit.
42	(Line 39 + 40) * \$50.0	LSE's have the opportunity to make up annual procurement deficits through existing flexible compliance rules. Accordingly, if an LSE has a deficit in year 1, and is able to fully exercise flexible compliance mechanisms, the penalty for year 1 compliance may not apply.

## OFFICER VERIFICATION FORM

I am an officer of the reporting corporation herein, and am authorized to make this verification on its behalf. The statements in the foregoing document are true of my own knowledge, except as to matters which are therein stated on information or belief, and as to those matters I believe them to be true. The spreadsheet format used to file this compliance report has been altered from the version issued or approved by Energy Division, with the alterations described in this report.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on August 14, 2008 at Fairfield, California.

(Date)

(Name of city)

A handwritten signature in cursive script, reading "John Dutcher".

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John Dutcher, V.P. - Reg. Affairs